

From: rscarlet@TheWorld.com@inetgw
To: Microsoft ATR
Date: 1/25/02 9:51pm
Subject: Microsoft Settlement

To: DOJ re Microsoft Settlement

Dear DOJ,

I am deeply distressed that the DOJ, in its proposed antitrust settlement with Microsoft, has abandoned any pretense of ending or controlling Microsoft's abusive monopoly. In particular:

BUNDLING - NOT ADDRESSED - PART I.

I recently purchased a new computer with Windows. I was forced by Microsoft's monopoly to purchase Windows bundled with many other programs I did not need, as I already had these programs (including Web browser, CD writing program, multimedia playing program, etc.). Microsoft's spectacular monopoly-controlled profit margins on Windows make it abundantly clear that the cost of including such extra functions is covered by the charges that I and others pay for Windows. Yet, despite ample legal precedent for controlling such bundling, DOJ makes no attempt to do so.

Please note that I also own a Macintosh computer, allowing me to avoid some such charges, but I use computers for my consulting business and I am totally forced by the monopoly to also own a Windows computer. Hence I am forced by the monopoly to pay for whatever bundled extras Microsoft chooses to include.

BUNDLING and ANTICOMPETITIVE PRICING - NOT ADDRESSED - PART II.

By placing no restrictions on bundling, DOJ acknowledges Microsoft's right to destroy any competitor at all. As DOJ knows, a competitor that is perceived as threatening can be wiped out by Microsoft's inclusion of its own competitive software in Windows and Microsoft's forcing of the customers to buy Microsoft's version, and/or by Microsoft's use of its monopoly driven wealth to underprice competing products. It is an insult to the public that DOJ has essentially decided to overturn anti-monopoly laws by allowing such business behavior.

ANTICOMPETITIVE BUSINESS STRUCTURE

Microsoft's monopoly includes office software as well as Windows. Microsoft clearly plans its office software strategy to enforce its overall monopoly, even if the office strategy does not otherwise make business sense. It is obvious that a separate office software business plan would by now include a version of Office for Linux, but since Microsoft sees Linux as a competitor to Windows it is happy to otherwise damage its office software potential in order to protect its monopoly. DOJ, by making no attempt to

control this behavior (which would probably require splitting Microsoft), is allowing illegal anticompetitive behavior.

SPECIFIC DEFECTS IN THE TOO-LIMITED PROPOSED REMEDY

In section III.C.1 and elsewhere the remedy states:

"...except that Microsoft may restrict an OEM from displaying icons, shortcuts and menu entries for any product in any list of such icons, shortcuts, or menu entries specified in the Windows documentation as being limited to products that provide particular types of functionality,...."

This exclusion says that Microsoft, at its own discretion, may take monopoly ownership of any software functionality it chooses. It can do this trivially and without restriction by including all reasonable access methods to the functionality in its Windows documentation. Any Windows user knows there are often many methods to reach the same functionality. Microsoft can list, and hence reserve to itself, all reasonable access methods and make it too confusing or complex to users to reach the functionality provided by a different vendor. Microsoft is making a complete fool of DOJ by slipping in this exception.

Section III.H.2 is grievously, egregiously, outrageously (I could go on...) defective. This section turns the Internet over to Microsoft. It says that Microsoft can implement its own non-standard Internet protocols, accessible only by Microsoft's Windows software, and make the non-standard protocols look "standard" to the Windows (only) user by having Microsoft's software jump in if the customer has been so independent as to dare to use software, even on Windows, from another vendor. Again Microsoft is making a fool of DOJ with this exception. Without this exception, Microsoft's non-standard protocols would be awkward and have difficulty in the marketplace, but this allows them to leverage their monopoly without restriction to force these on the public. If this holds, then 10 years from now as the pundits ask, "How did Microsoft gain control of the Internet?" they will look to DOJ's approval of this exception as the cause!

With great disappointment in your anti-public, contrary-to-law, settlement proposal,

Richard Scarlet
rscarlet@theworld.com
Massachusetts

(Small business owner, not in the computer or software business except as an end user.)